6. RCNC prefers to provide service to customers using its own facilities. RCNC has entered into strategic partnerships with utilities and other non-ILEC carriers, where appropriate, to reduce its costs of deploying the Megaband(TM) network. RCNC generally targets customers within ***BEGIN PROPRIETARY*** ***END PROPRIETARY*** of its switches and/or ***BEGIN PROPRIETARY*** ***END PROPRIETARY*** of its network. RCNC believes that providing service over its own facilities gives it more control over its operations and margins, while allowing RCNC to address the fundamental bandwidth scarcity in the last mile.

7. In addition to construction and fiber costs, RCN incurs other costs and delays in building its network. The RBOC Petition does not quantify those costs and delays and presumes they impose no additional burden on new entrants. To the contrary, they are an integral part of RCN's decision whether or not to build its own network. For example, RCN must negotiate franchise and rights-of-way agreements with local municipalities and other governing bodies that often impose a per-foot, revenue-based, or up-front fee on RCN. RCN and its affiliates also pay rights-of-way fees to groups such as the Southeast Pennsylvania Transit Authority ("SEPTA") in the Philadelphia suburbs.

8. In municipalities where RCN is not permitted to lay its own fiber, RCN may also incur costs and delays to lease ducts from the company that is authorized to lay fiber. For instance, in New York City ("NYC"), Empire City Subway is the only provider authorized to place ducts from manhole to manhole. In NYC, RCN therefore incurs additional delays while its duct lease applications are processed, as well as duct lease costs.

9. Because Empire City Subway is the only provider authorized to place manhole-to-manhole ducts in NYC, RCN can incur substantial delays in building a new fiber ring in NYC.

It can take up to ***BEGIN PROPRIETARY*** ***END PROPRIETARY*** to build a fiber ring in NYC.

10. Other municipalities impose similar delays peculiar to their permitting process. For instance, Manhattan and Boston may impose digging moratoriums during the winter months, sometimes lasting from Thanksgiving until April 1, a little over four months. Because these delays may prevent RCN from providing service to new customers in a timely manner, RCN may lose customers to the ILEC if it is not permitted to use unbundled high capacity loops as a transitional mechanism to bringing customers onto RCN's facilities.

11. Where RCN builds its own loops, RCN incurs additional costs that vary by building. The RBOC Petition does not attempt to quantify these costs thus implying that they are not major factors in a CLEC's ability to connect new buildings to its network. To the contrary, these additional costs are material to RCN's decision whether or not to serve new buildings. For instance, RCN must negotiate with building owners in order to gain access to customers located in Multi-Tenant Environments ("MTEs"). These negotiations can substantially delay RCN's ability to connect a customer to its own network. Building owners may also impose substantial per-customer, up-front, or revenue-based fees on RCN in return for granting access to their buildings.

12. Once RCN obtains access rights to MTEs, it must also obtain access to the inside wiring necessary to reach the customers located in the MTEs. For example, the non-recurring cost to connect each RCN loop to inside wire is ***BEGIN PROPRIETARY*** ***END PROPRIETARY*** per customer in New York. Because it was experiencing substantial delays in obtaining such access, RCN participated in house and riser trials with Verizon in New York. The New York Public Service Commission recently released an order finding that RCN may

continue to have access to Verizon's house and riser facilities for the purpose of timely completing its own inside wire connections. However, RCN will still experience delays connecting its loops to inside wire in other markets where it is not permitted to complete its own connections.

13. Although RCN prefers to provide service to customers over its own network, RCN uses incumbent local exchange carrier ("ILEC") loops to provide service in Allentown, Easton, and Bethlehem, Pennsylvania where it has existing collocation arrangements and enhanced extended loops ("EELs"), combinations of loops and dedicated transport, to provide service to customers predominantly in the New York metropolitan area.

14. RCN currently uses ***BEGIN PROPRIETARY*** ***END PROPRIETARY*** unbundled loops from ILECs. RCN will order a DS1 loop to provide service to customers needing less than 24 lines, typically those needing ***BEGIN PROPRIETARY*** ***END PROPRIETARY***. RCN does not believe that it would be able to obtain loops from other providers to serve these customers. Without continued access to high capacity loops, RCN may be forced to discontinue service to these customers if the FCC grants the RBOC Petition.

15. RCN and its affiliates use EELs to serve customers in New York and other markets in locations where RCN does not have its network in place. RCN and its affiliates currently purchase ***BEGIN PROPRIETARY*** ***END PROPRIETARY*** EELs from ILECs. If high capacity loops and dedicated transport were removed from the list of UNEs ILECs must provide, RCN may be forced to discontinue service being provided to customers over these EELs.

16. RCN uses ILEC transport extensively in its network because other sources are usually not available. RCN uses unbundled dedicated transport to connect its loops and EELs

EELs that terminate in RCN's collocation arrangements to RCN's switch. If neither UNE transport or alternative transport was available, RCN would be forced as a practical matter to purchase ILEC special access facilities, which would materially increase RCN's costs.

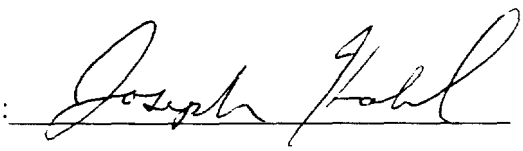
17. RCN also uses ILEC transport for its interconnection facilities. In order for RCN and ILECs to exchange traffic between their respective customers, they must interconnect their networks as required by Section 251(c)(2) of the Act. The physical points at which they perform the connection are called interconnection points or points of interconnection. No other transport provider, even if they chose to do so, could match even a fraction of the coverage that an ILEC can provide and support for such interconnection facilities. RCN typically purchases cost-based ILEC transport to connect its switches to the points of interconnection and other points in the ILEC network necessary for interconnection.[1] For instance, ILEC transport also connects RCN's network to ILECs' high volume end offices for the exchange of traffic originating from and terminating to customers served by that end office and to ILECs' operator switches, E911 switches/routers, and SS7 signaling transfer points. ILECs sometimes, although not always, distinguish between pricing elements for cost-based interconnection transport and pricing elements for UNE dedicated transport. Because interconnection is not subject to the necessary and impair standard, it is my understanding that ILECs must continue to provide CLECs cost-based transport for interconnection regardless of the outcome of this proceeding.

[1] RCN pays cost-based rates for these interconnection transport facilities. Although some ILECs attempt to charge RCN special access rates for them, most recently for interconnection transport facilities carrying intraLATA toll traffic, RCN disputes such charges.

18. To provide a hypothetical example of the potential cost increase associated with moving to special access, assume that a CLEC purchased ILEC transport to 50 end offices and eight tandems in the Boston Local Access and Transport Area. Assume also that the CLEC purchased one DS1 to each end office at an average of 15 miles each and 15 DS1s to each tandem at an average of 20 miles each. The UNE rate for DS1 dedicated transport in Massachusetts is $110 fixed per month plus $0.73 per mile per month plus muxing, where applicable, of $236.69 per month. In contrast, Verizon's interstate special access DS1 transport rate is $50 fixed per month plus $24.88 per mile per month plus muxing, where applicable, of $686.54 to $720.97 (depending on the price zone). In addition, under the special access tariff, ILECs would impose customer-type charges on RCN such as channel terminations of $205.12 to $266.69 per month (depending on the price zone). Under the UNE prices set forth above, the total cost of the CLEC's transport would be $23,779 per month. Under the special access prices set forth above, the total cost of the CLEC's transport would be $121,862.40 per month (including channel terminations). Thus substituting special access for UNE transport could increase RCN's costs by a factor of five, substantially changing the economics of providing service to its customers.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my information, knowledge, and belief.

DATED: June 11, 2001

BY: 

Director, Regulatory Affairs

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Joint Comments of Broadslate Networks, Inc., Network Plus, Inc., RCN Telecom Services, Inc., and Telergy, Inc. have been served by Hand Delivery or First Class Postage Prepaid to the persons on the attached list.

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